

HOUSE BILL 865

C2

11r1752
CF SB 352

By: **Delegate Kach**

Introduced and read first time: February 11, 2011

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Office of Cemetery Oversight – Cemetery Financial Statement –**
3 **Requirements**

4 FOR the purpose of requiring that a certain financial statement of an existing
5 cemetery business that sells burial goods required to be submitted to the
6 Director of the Office of Cemetery Oversight contain a copy of the balance sheet
7 from the last federal tax return filed by the business or a balance sheet on a
8 certain form; repealing a provision that requires an existing cemetery business
9 that sells burial goods to submit as a part of a required financial statement a
10 certain statement and a certain review prepared by a certified public
11 accountant; and generally relating to the requirements of a cemetery financial
12 statement and the Office of Cemetery Oversight.

13 BY repealing and reenacting, with amendments,
14 Article – Business Regulation
15 Section 5–304
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2010 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Business Regulation**

21 5–304.

22 (a) Each applicant designated as the responsible party shall demonstrate the
23 financial stability of the business with which the applicant is affiliated by providing
24 the Director with a financial statement or other reports required under subsection (e)
25 of this section with the application for registration.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) If the business is a cemetery that sells burial goods and is an existing
2 business, the financial statement shall:

3 (1) be on the form that the Director requires; **AND**

4 (2) contain [a statement by a certified public accountant retained by
5 the business, detailing the assets and liabilities of the cemetery for the last fiscal year;
6 and

7 (3) contain a review by the certified public accountant as to the
8 financial stability of the cemetery]:

9 (I) **A COPY OF THE BALANCE SHEET FROM THE LAST**
10 **FEDERAL TAX RETURN FILED BY THE BUSINESS; OR**

11 (II) **A BALANCE SHEET ON A FORM THAT THE DIRECTOR**
12 **REQUIRES.**

13 (c) If the business is an existing cemetery that does not sell burial goods or
14 an existing burial goods business not affiliated with a cemetery, the applicant shall:

15 (1) complete a form that the Director requires; and

16 (2) satisfy criteria that the Director adopts under subsection (e) of this
17 section.

18 (d) If the business is a new business, the applicant shall:

19 (1) complete a form that the Director requires; and

20 (2) satisfy criteria that the Director adopts under subsection (e) of this
21 section.

22 (e) (1) The Director shall make a determination of the financial stability
23 of each applicant based on criteria that the Director adopts for each class of business.

24 (2) The Director shall adopt separate criteria to determine the
25 financial stability of applicants that are new businesses or existing businesses.

26 (3) The Director shall require that all financial statements of a new
27 cemetery submitted under subsection (d) of this section be prepared by a certified
28 public accountant retained by the business.

29 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
30 **October 1, 2011.**